



General Assembly

January Session, 2019

Raised Bill No. 7251

LCO No. 5046



Referred to Committee on ENERGY AND TECHNOLOGY

Introduced by:
(ET)

AN ACT CONCERNING LONG-TERM CONTRACTS FOR CERTAIN CLASS I GENERATION PROJECTS AND THE RESIDENTIAL SOLAR INVESTMENT PROGRAM AND REQUIRING A STUDY OF THE VALUE OF SOLAR.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 16-244r of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (c) (1) The aggregate procurement of renewable energy credits by
5 electric distribution companies pursuant to this section shall (A) be
6 eight million dollars in the first year, and (B) increase by an additional
7 eight million dollars per year in years two to four, inclusive.

8 (2) After year four, the authority shall review contracts entered into
9 pursuant to this section and if the cost of the technologies included in
10 such contracts have been reduced, the authority shall seek to enter new
11 contracts for the total of six years.

12 (3) After year six, the authority shall seek to enter new contracts for

13 the total of [eight] nine years.

14 (A) The aggregate procurement of renewable energy credits by
15 electric distribution companies pursuant to this subdivision shall (i)
16 increase by an additional eight million dollars per year in years five to
17 [eight] nine, inclusive, (ii) be [sixty-four] seventy-two million dollars in
18 years [nine] ten to fifteen, inclusive, and (iii) decline by eight million
19 dollars per year in years sixteen to [twenty-three] twenty-four,
20 inclusive, provided any money not allocated in any given year may
21 roll into the next year's available funds. On the date of approval of the
22 procurement plan by the authority pursuant to subsection (a) of
23 section 16-244z, any money not yet allocated pursuant to this section
24 shall expire.

25 (B) For the sixth, seventh, [and] eighth and ninth year solicitations,
26 each electric distribution company shall solicit and file with the Public
27 Utilities Regulatory Authority for its approval one or more long-term
28 contracts with owners or developers of Class I generation projects that:
29 (i) Emit no pollutants and that are less than one thousand kilowatts in
30 size, located on the customer side of the revenue meter and serve the
31 distribution system of the electric distribution company, provided such
32 contracts do not exceed fifty per cent of the dollar amount established
33 for years six, seven, [and] eighth and nine under subparagraph (A) of
34 this subdivision; and (ii) are less than two megawatts in size, located
35 on the customer side of the revenue meter, serve the distribution
36 system of the electric distribution company, and use Class I
37 technologies that have no emissions of no more than 0.07 pounds per
38 megawatt-hour of nitrogen oxides, 0.10 pounds per megawatt-hour of
39 carbon monoxide, 0.02 pounds per megawatt-hour of volatile organic
40 compounds, and one grain per one hundred standard cubic feet,
41 provided such contracts do not exceed fifty per cent of the dollar
42 amount established for years six, seven, [and] eighth and nine under
43 subparagraph (A) of this subdivision. The authority may give a
44 preference to contracts for technologies manufactured, researched or
45 developed in the state.

46 (4) The production of a megawatt hour of electricity from a Class I
47 renewable energy source first placed in service on or after July 1, 2011,
48 shall create one renewable energy credit. A renewable energy credit
49 shall have an effective life covering the year in which the credit was
50 created and the following calendar year. The obligation to purchase
51 renewable energy credits shall be apportioned to electric distribution
52 companies based on their respective distribution system loads at the
53 commencement of the procurement period, as determined by the
54 authority. For contracts entered into in calendar year 2012, an electric
55 distribution company shall not be required to enter into a contract that
56 provides a payment of more than three hundred fifty dollars, per
57 renewable energy credit in any year over the term of the contract. For
58 contracts entered into in calendar years 2013 to 2017, inclusive, at least
59 ninety days before each annual electric distribution company
60 solicitation, the Public Utilities Regulatory Authority may lower the
61 renewable energy credit price cap specified in this subsection by three
62 to seven per cent annually, during each of the six years of the program
63 over the term of the contract. For contracts entered into in calendar
64 year 2018, at least ninety days before the electric distribution company
65 solicitation, the Public Utilities Regulatory Authority may lower the
66 renewable energy credit price cap specified in this subsection by sixty-
67 four per cent, during year seven of the program over the term of the
68 contract. For contracts entered into in calendar year 2019, at least
69 ninety days before the electric distribution company solicitation, the
70 Public Utilities Regulatory Authority may lower the renewable energy
71 credit price cap specified in this subsection by sixty-four per cent,
72 during year eight of the program over the term of the contract. For
73 contracts entered into in calendar year 2020, at least ninety days before
74 the electric distribution company solicitation, the Public Utilities
75 Regulatory Authority may lower the renewable energy credit price cap
76 specified in this subsection by sixty-four per cent, during year nine of
77 the program over the term of the contract. In the course of lowering
78 such price cap applicable to each annual solicitation, the authority
79 shall, after notice and opportunity for public comment, consider such
80 factors as the actual bid results from the most recent electric

81 distribution company solicitation and reasonably foreseeable
82 reductions in the cost of eligible technologies.

83 Sec. 2. Subsection (b) of section 16-245ff of the general statutes is
84 repealed and the following is substituted in lieu thereof (*Effective from*
85 *passage*):

86 (b) The Connecticut Green Bank, established pursuant to section 16-
87 245n, shall structure and implement a residential solar investment
88 program established pursuant to this section that shall support the
89 deployment of not more than [three] four hundred megawatts of new
90 residential solar photovoltaic installations located in this state on or
91 before (1) December 31, 2022, or (2) the deployment of [three] four
92 hundred megawatts of residential solar photovoltaic installation, in the
93 aggregate, whichever occurs sooner, provided the bank shall not
94 approve direct financial incentives under this section for more than
95 one hundred megawatts of new qualifying residential solar
96 photovoltaic systems, in the aggregate, between July 2, 2015, and April
97 1, 2016. The procurement and cost of such program shall be
98 determined by the bank in accordance with this section.

99 Sec. 3. (NEW) (*Effective from passage*) The Department of Energy and
100 Environmental Protection shall contract with the Connecticut
101 Academy of Science and Engineering to study the value of solar and,
102 on or before January 1, 2020, report the findings of such study, in
103 accordance with the provisions of section 11-4a of the general statutes,
104 to the joint standing committee of the General Assembly having
105 cognizance of matters relating to energy.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-244r(c)
Sec. 2	<i>from passage</i>	16-245ff(b)
Sec. 3	<i>from passage</i>	New section

Statement of Purpose:

To (1) require electric distribution companies to solicit and file with the Public Utilities Regulatory Authority long-term contracts with owners or developers of certain Class I generation projects for an additional year, (2) increase the total potential deployment pursuant to the residential solar investment program to four hundred megawatts, and (3) require a study of the value of solar.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]